

## Joint Standing Committee on Business and Economic Development

**LD 168**                      **An Act to License Home Inspectors**                      **ONTP**

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| <u>Sponsor(s)</u><br>HARRIMAN |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
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LD 168 was carried over from the First Regular Session and proposed to establish the Maine Board of Home Inspectors and create 3 categories of licensure: apprentice inspector, home inspector and professional inspector.

**LD 464**                      **An Act Concerning Notification by Oil Burner Technicians of Inadequate Chimneys**                      **ONTP**

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| <u>Sponsor(s)</u><br>CAMPBELL |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
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LD 464 was carried over from the First Regular Session and proposed to exempt oil burner technicians from disciplinary actions involving the installation or servicing of oil burning equipment in an unsafe chimney.

**LD 526**                      **Resolve, Creating the Commission to Study Economic Development Opportunities for Lewiston and Auburn**                      **ONTP**

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| <u>Sponsor(s)</u><br>MENDROS<br>BENNETT |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
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LD 526 was carried over from the First Regular Session and proposed to establish the Commission to Study Economic Development Opportunities for Lewiston and Auburn.

**LD 675**                      **An Act to Amend Consumer Protection Laws with Respect to Internet Service**                      **ONTP**

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| <u>Sponsor(s)</u><br>NUTTING J |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
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LD 675 was carried over from the First Regular Session and proposed to require Internet providers to identify to each customer any local access numbers and long-distance access numbers that the customer may use to access the provider.

Sponsor(s)  
MILLS

Committee Report  
ONTP

Amendments Adopted

LD 952 was carried over from the First Regular Session and proposed to:

1. Provide civil remedies for electronic mail providers against registered users who use the provider's equipment located in this State in violation of the provider's policy prohibiting or restricting the use of its service or equipment for the initiation of unsolicited electronic mail advertisements;
2. Provide civil remedies for electronic mail providers against any person who initiates an unsolicited electronic mail advertisement using the provider's equipment located in this State in violation of that provider's policy prohibiting or restricting the use of its equipment to deliver unsolicited electronic mail advertisements to its registered users;
3. Establish criminal penalties for a person who:
  - A. Knowingly accesses and without permission alters, damages, deletes, destroys or otherwise uses any data, computer, computer system or computer network in order to:
    - (1) Devise or execute any scheme or artifice to defraud, deceive or extort; or
    - (2) Wrongfully control or obtain money, property or data;
  - B. Knowingly accesses and without permission takes, copies or makes use of any data from a computer, computer system or computer network, or takes or copies any supporting documentation, whether existing or residing inside or outside a computer, computer system or computer network;
  - C. Knowingly and without permission uses or causes to be used computer services;
  - D. Knowingly accesses and without permission adds, alters, damages, deletes or destroys any data, computer software or computer programs that reside or exist inside or outside a computer, computer system or computer network;
  - E. Knowingly and without permission disrupts or causes the disruption of computer services or denies or causes the denial of computer services to an authorized user of a computer, computer system or computer network;
  - F. Knowingly and without permission provides or assists in providing a means of accessing a computer, computer system or computer network;
  - G. Knowingly and without permission accesses or causes to be accessed any computer, computer system or computer network;

- H. Knowingly introduces any computer contaminant into any computer, computer system or computer network; or
- I. Knowingly and without permission uses the Internet domain name of another individual, corporation or entity in connection with the sending of one or more electronic mail messages, and thereby damages or causes damage to a computer, computer system or computer network.

**LD 1094                      An Act to Promote Economic Development in Northern Maine                      ONTP**

| <u>Sponsor(s)</u>   | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|---------------------|-------------------------|---------------------------|
| KNEELAND<br>PARADIS | ONTP                    |                           |

LD 1094 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to:

1. Improve the infrastructure;
2. Enhance existing businesses and encourage job growth;
3. Attract high-tech and high-wage jobs; and
4. Promote a stable economic environment through the review of current rules and regulations and taxes and make any necessary changes.

**LD 1147                      An Act to Decriminalize Resource Protection Violations by Seafood Dealers                      ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| VOLENIK           | ONTP                    |                           |

LD 1147 was carried over from the First Regular Session and proposed to establish the Board of Seafood Dealers to enforce violations, review complaints against seafood dealers and take disciplinary action.

**LD 1176                      An Act to Amend the Real Estate Brokerage Laws Regarding Property Disclosure                      ONTP**

| <u>Sponsor(s)</u>     | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-----------------------|-------------------------|---------------------------|
| CIANCHETTE<br>DAGGETT | ONTP                    |                           |

LD 1176 was carried over from the First Regular Session and proposed to exempt nonresidential property sales from the Maine Real Estate Commission rules on property disclosure.

**LD 1253****An Act to Create the Board of Cemetery and Crematory Services****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| CAMPBELL          | ONTP                    |                           |

LD 1253 was carried over from the First Regular Session and proposed to create the Board of Cemetery and Crematory Services to assist the Attorney General in the investigation of consumer complaints concerning cemeteries and crematories and to work closely with the Department of Human Services, Bureau of Health and Office of Data Research and Vital Statistics on issues relating to cemetery and crematory operations.

**LD 1414****Resolve, to Support Downtown Revitalization through the Location of State Facilities and Targeting Economic Development Funding****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
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| TREAT<br>COLWELL  | ONTP                    |                           |

LD 1414 was carried over from the First Regular Session and proposed to direct the Department of Economic and Community Development to develop a state policy that would give preference to downtown areas for the location of state facilities and would avoid contributing to urban sprawl. Under the bill, the Department of Economic and Community Development would work with other state agencies in developing the policy including the Department of Administrative and Financial Services, the Department of Transportation, the Maine State Housing Authority and the Finance Authority of Maine.

**LD 1665****Resolve, to Promote Natural Resource-based Industries****RESOLVE 99**

| <u>Sponsor(s)</u>  | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------|-------------------------|---------------------------|
| KILKELLY<br>DUNLAP | OTP-AM                  | S-549                     |

LD 1665 was carried over from the First Regular Session and proposed to direct the State Planning Office to develop a report that:

1. Proposed ways to ensure that state resources dedicated to natural resource-based industries are equitable with state resources dedicated to other business development;
2. Analyzed the current needs of the workforce for natural resource-based industries and the education programs that service that workforce; and
3. Proposed new education programs that will encourage individuals to enter into the fishing, farming and forestry industry.

The report would be submitted to the Second Regular Session of the 119th Legislature by January 1, 2000.

**Committee Amendment “A” (S-549)** proposed to change the reporting date from January 1, 2000 to January 1, 2001 and proposed to require the State Planning Office to submit the report to the joint standing committee of the Legislature having jurisdiction over business and economic development matters instead of to the Legislature. The amendment also proposed to direct the State Planning Office to include in its report the identification of barriers to and opportunities for natural resource-based industries. The amendment also proposed to add a fiscal note to the bill.

***Enacted law summary***

Resolve 1999, chapter 99 directs the State Planning Office to develop a report that:

1. Proposes ways to ensure that state resources dedicated to natural resource-based industries are equitable with state resources dedicated to other business development;
2. Analyzes the current needs of the workforce for natural resource-based industries and the education programs that service this workforce;
3. Proposes new education programs that will encourage individuals to enter into the fishing, farming and forestry industry; and
4. Identifies barriers to and opportunities for natural resource-based industries.

The report will be submitted to the Joint Standing Committee of the Legislature having jurisdiction over business and economic development matters by January 1, 2001.

**LD 1726                      An Act to Ensure Fair Competition within the Motor Fuels Industry                      ONTP**

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| <u>Sponsor(s)</u><br>CASSIDY<br>BUCK | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
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LD 1726 was carried over from the First Regular Session and proposed to amend the Petroleum Market Share Act by requiring the State to eliminate anti-competitive situations among Maine’s petroleum marketers.

**LD 1789                      An Act to Improve the Licensing Procedures for Veterinarians                      ONTP**

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|--|---------------------------------|---------------------------|
| <u>Sponsor(s)</u><br>DAGGETT<br>GAGNON | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
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LD 1789 was carried over from the First Regular Session and proposed to enable the Board of Veterinary Medicine to charge a lesser licensing fee for veterinarians who are no longer engaged in active practice but who want to remain licensed. The bill also proposed to clarify administrative procedures for the relicensing of veterinarians.

**LD 1846                      An Act to Require Motion Picture Distributors to Give Exhibitors an Equal Opportunity to Bid for the Right to Exhibit Motion Pictures                      ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u>       | <u>Amendments Adopted</u> |
|-------------------|-------------------------------|---------------------------|
| POVICH            | ONTP      MAJ<br>OTP      MIN |                           |

LD 1846 was carried over from the First Regular Session and proposed to require that motion picture distributors give motion picture exhibitors an equal opportunity to bid on the right to exhibit motion pictures in the State.

**LD 1895                      An Act to Establish Enterprise Zones to Fund Businesses in Areas of High Unemployment                      ONTP**

| <u>Sponsor(s)</u>   | <u>Committee Report</u> | <u>Amendments Adopted</u> |
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| LAVERDIERE<br>MILLS | ONTP                    |                           |

LD 1895 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to establish enterprise zones in areas of the State in which the unemployment rate exceeds the statewide average unemployment rate by 75% or more. The enterprise zones would receive priority for all state economic development funds. LD 1895 also proposed to establish a fund in the Finance Authority of Maine and finance the fund through bonds issued by FAME. Under the bill, a business located in an enterprise zone could receive loans from the fund, based on criteria established and administered by FAME.

**LD 1910                      An Act to Promote Economic Development in Central Maine                      ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
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| CAMPBELL          | ONTP                    |                           |

LD 1910 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve central Maine. It proposed to:

1. Issue a \$5,000,000 bond to establish a revolving loan fund to capitalize the Community Industrial Buildings Fund, a fund to assist local development corporations in constructing community industrial

buildings in economically deprived rural and urban areas. The fund would be matched with at least \$1,250,000 in private and public contributions;

2. Provide \$1,000,000 in funding to the Business Attraction Marketing Program in the Department of Economic and Community Development;
3. Require that 1% of all funds appropriated for research and development projects in this State be used to attract new businesses to locate in Maine to manufacture the items that are the products of the research and development;
4. Require the State Economic Development Strategy to include provisions for regional components that are consistent with economic development district plans;
5. Implement the recommendations of the Downtown Initiative in the Department of Community and Economic Development focusing on how to revitalize downtown areas in Maine;
6. Require that economic development districts be given a copy of results of any research by the Department of Economic and Community Development into industries and communities that are at risk for loss of jobs and businesses. The districts must use the results to develop a volunteer stakeholder task force to find solutions to any of the problems raised by the research and report back to the Governor and the Legislature with solutions and funding suggestions;
7. Appoint a volunteer stakeholder group to establish a Winter Harbor Development Group. The goal of the group is to explore and suggest alternative uses for the Winter Harbor base such as an international hotel, recreation facility, conference center or retreat;
8. Expand and modify the current local administrative contracting program for road building to provide for the construction of local roads quicker and less expensively;
9. Provide appropriate assistance, such as funding and state regulation application assistance, to expedite the dredging of the Penobscot River for the purpose of improving the navigable channel;
10. Establish an intermodal passenger system for Bangor International Airport by linking a terminal on airport grounds with rail and road access, including access to the state-owned Brewer-to-Calais railroad from the airport and Northern Maine Junction. Airport terminal access by road would be improved through the appropriation of funds and matching federal funds to reroute Maine Avenue;
11. Require the Department of Transportation to develop and implement a strategy to provide, where practical, connections from each state-owned or state-leased rail line to multiple railroad common carriers in order that Maine businesses and the public have affordable and unhampered access to the national rail transportation system;
12. Provide tax-exempt status to the sale or lease of an aircraft based in this State and regularly engaged in air commerce, or the replacement or repair parts for such an aircraft;
13. Eliminate permits for 53-foot truck trailers;
14. Exempt diesel fuel used while on the Maine Turnpike from the diesel fuel tax;

15. Provide to lessees of trucking equipment, such as a truck or trailer, used in interstate commerce the same sales tax exemption that is currently provided to owners of trucking equipment that is used in interstate commerce. Alternatively, a \$600 maximum would be placed on the sales tax imposed on any such equipment;
16. Require the Department of Environmental Protection to change the regulatory process from an instruction-based approach to a contractual, performance-based approach, thereby rewarding companies and businesses that meet or exceed the environmental objectives established by the department; and
17. Attract high-tech and high-wage jobs. This would be partially accomplished through the appropriation of \$300,000 each to Eastern Maine Technical College and Kennebec Valley Technical College to expand technical education programs in industries needing technically skilled workers.

**LD 1917**

**An Act to Encourage Growth and Development in Cumberland County**

**ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
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| GLYNN<br>AMERO    | ONTP                    |                           |

LD 1917 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve Cumberland County. It proposed to:

1. Improve the infrastructure;
2. Enhance existing businesses and encourage job growth by providing a dollar-for-dollar reduction of a business' gross income, for purposes of computing income taxes owed by a business, for funds given by an employer to an employee to pay for that employee to attend an accredited Maine school;
3. Encourage investment in Maine businesses by providing a waiver of the capital gains tax to any person who invests a capital gain within 12 months of the realization of that gain in a business or corporation that is based or headquartered in Maine;
4. Attract and provide high-tech and high-wage jobs by providing an appropriation of \$400,000 per year to the Southern Maine Technical College to create or expand technical education programs in industries needing technically skilled workers. A matching contribution of 25% would be sought from the private sector in the form of cash, equipment, materials or scholarship funds; and
5. Promote a stable economic environment through the review of current rules and regulations and taxes and make any necessary changes.



| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SHOREY<br>CASSIDY | ONTP                    |                           |

LD 1919 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve eastern Maine. It proposed to:

1. Improve the infrastructure, including the development of a rail line from Brewer to Eastport within 5 years and obtain appropriations to bring U.S. Route 1 from Steuben to Danforth up to national highway standards within 10 years;
2. Enhance existing businesses and encourage job growth by:
  - A. Creating an enterprise zone in Washington County. The enterprise zone would be based upon the former Job Opportunity Zones Act enacted in 1987 and repealed in 1993. The purpose of the enterprise zone is to establish a program of economic development incentives targeted to areas that are economically distressed or adversely affected by sudden or severe dislocation of the economy;
  - B. Creating a free-trade zone in Calais with an extension to Eastport. This would be similar to the current authorization given to the Loring Development Authority of Maine to apply for designation as a free port area by providing an exemption from stock-in-trade tax and other taxes and customs normally levied on personal property in transit; and
  - C. Providing a General Fund appropriation in the amount of \$50,000 annually to fund an economic development specialist position. The specialist would work under the direction of the Department of Economic and Community Development in rural communities in eastern Maine to create economic opportunities by working with local development organizations. The duties of the specialist would include providing grant writing assistance, business consultation and small business development recommendations;
3. Attract high-tech and high-wage jobs. This would be partially accomplished through the appropriation of \$150,000 to Washington County Technical College to expand technical education programs in industries needing technically skilled workers; and
4. Promote a stable economic environment through the review of current rules and regulations and taxes and making any necessary changes.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| DAVIDSON          | ONTP                    |                           |

LD 1922 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to establish an Internet policy for the State. The policy would include:

1. The facilitation of electronic commerce for Maine companies by:
  - A. Providing the same legal and binding status to transactions occurring over the Internet as to transactions in the traditional environment;
  - B. Requiring the Department of Economic and Community Development to establish and certify security procedures used to verify signatures, identity and the true form of a document or communication;
  - C. Providing support and encouraging effective industry self-regulation through the use of seals or other labels indicating that the business has been recognized as employing fair, honest and consumer friendly business practices;
  - D. Establishing a presence on the Internet where consumers may obtain information on the self-regulation program, common practices and conditions of electronic commerce and known consumer scams and frauds; and
  - E. Encouraging the establishment and growth of Maine-based digital enterprises by altering and extending current economic development incentives to the digital business environment.
2. Making government more accessible to the citizens by:
  - A. Requiring all state departments and agencies to expand service delivery and information gathering on an Internet-based platform at a minimum cost or no cost to users;
  - B. Providing assistance to state departments and agencies to ensure the expeditious implementation of the Internet policy;
  - C. Encouraging and supporting state and local governments, school systems and public libraries to pool their buying power to provide wider access at lower costs to information services and data bases purchased for public use or the provision of services to the public;
  - D. Directing state agencies to assist in the provision of affordable high speed Internet access in rural and underserved areas of the State;
  - E. Requiring the posting on the Internet of forms and information needed to interact with State Government, such as tax forms, registration forms and ballots;
  - F. Encouraging the timely posting on the agency or department web sites of information determined necessary or beneficial to the public; and
  - G. Amending the Freedom of Information Act to include the posting of requested documents or delivery through e-mail as a way of meeting Freedom of Information Act requirements;
3. The protection of consumer and citizen privacy by:
  - A. Establishing and enforcing an Internet privacy policy that includes the extension of current privacy laws to electronic transmissions, notice of what is to be done with information that the consumer or

user is providing, the right to opt out and a procedure to measure compliance with the policy. Information collected from a user would be limited to that which is necessary and relevant to the transaction and the user must be allowed the opportunity to verify and correct the information. Violation of the policy would be a crime;

- B. Protecting the privacy of children 13 years of age and younger;
  - C. Exercising criminal and civil jurisdiction over persons using Internet service providers or facilities located in Maine in violation of the policy; and
  - D. Permitting citizens to use an appropriate level of encryption to protect the privacy and security of their communications over the Internet, except for the use of encryption to avoid detection in the commission of an illegal act;
4. The mitigation of unsolicited bulk e-mail or spamming by:
- A. Defining spamming and providing appropriate criminal penalties;
  - B. Clarifying that the use of an Internet service provider's facilities and computer network located in Maine subjects the user to Maine jurisdiction;
  - C. Establishing theft of services crimes for the unauthorized or fraudulent use of e-mail header information in connection with the transmission of unsolicited bulk e-mail or obtaining an Internet service provider account for the purpose of gathering e-mail addresses for the purpose of spamming; and
  - D. Establishing civil and criminal penalties for persons who assist spamming by facilitating the transmission of falsified e-mail or the distribution of specially designed software that aids spamming;
5. The regulation of hate mail and pornography by:
- A. Directing an appropriate agency to establish a web site through which information and recommendations are provided to parents, guardians, local officials and others on specific problems involving the protection of children from inappropriate material over the Internet;
  - B. Requiring all public and publicly funded institutions to establish a management system and policy for Internet access within their institutions;
  - C. Making it at least a Class C crime for the on-line dissemination of obscene or harmful material for the purpose of inducing children to engage in or perform sexual acts; and
  - D. Making it at least a Class C crime to post on a pornographic Internet site information about a child's identity; and
6. The regulation of other crimes by:
- A. Clarifying that a crime in the nondigital domain is a crime in the electronic environment;

- B. Empowering law enforcement agencies to establish procedures for the investigation and prosecution of crimes committed using the Internet;
- C. Amending the rules of evidence to include Internet-related activities; and
- D. Requiring law enforcement agencies to establish Internet sites to receive reports of suspected illegal activities over the Internet.

**LD 1931**

**An Act to Amend the Franchise Law**

**PUBLIC 766  
EMERGENCY**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| LAFOUNTAIN        | OTP-AM                  | S-554<br>S-787 MICHAUD    |

LD 1931 was carried over from the First Regular Session. It proposed to amend certain provisions of the law pertaining to automobile manufacturers, franchisees and other dealers to ensure fair treatment of all dealers.

**Committee Amendment "A" (S-554)** proposed to replace the original bill. The amendment proposed to amend certain provisions of the law pertaining to automobile manufacturers and dealers. It would have added an additional action that would have been considered an unfair method of competition and deceptive practice. It would have put certain limits on a franchisor's ability to exercise a right of first refusal. It would have added a corporate affiliate of a manufacturer, distributor or wholesaler to the list that cannot offer discounts without making the same offer to all dealers in the market area. Finally, it would have provided that a franchisor could not recover its cost for reimbursing a franchisee for parts and labor provided in satisfaction of a warranty.

**Senate Amendment "B" to Committee Amendment "A" (S-787)** proposed to amend Committee Amendment "A" in the following ways:

1. It proposed to add an emergency preamble and an emergency clause;
2. It proposed to remove the part of Committee Amendment "A" that proposed to prohibit a franchisor from recovering its cost for reimbursing a franchisee for parts and labor provided in satisfaction of a warranty;
3. It proposed to establish the Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor to study how to most effectively implement the retail rate reimbursement provisions of the Maine Revised Statutes, Title 10, section 1176 while protecting the interests of consumers of warranty and nonwarranty repair services, the interests of franchisees in receiving retail rate reimbursement and the interests of franchisors. Under the amendment, the commission would have comprised 2 members of the Senate, appointed by the President of the Senate; 2 members of the House, appointed by the Speaker of the House; 2 franchised automobile dealers who are members of the Maine Auto Dealers Association; and one franchisor who is a member of the Alliance of Automobile Manufacturers;

4. It proposed a commission reporting date of November 1, 2000;
5. It proposed to authorize reimbursement for public members of the commission not otherwise compensated; and
6. It proposed to provide that the section of the bill as amended that proposed to establish the study commission would take effect when approved.

#### ***Enacted law summary***

Public Law 1999, chapter 766 amends certain provisions of the law pertaining to automobile manufacturers and dealers. It adds an additional action that is considered to be an unfair method of competition and deceptive practice. It puts certain limits on a franchisor's ability to exercise a right of first refusal. It adds a corporate affiliate of a manufacturer, distributor or wholesaler to the list that cannot offer discounts without making the same offer to all dealers in the market area. Finally, it establishes the Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor.

Public Law 1999, chapter 766, section 4 (study commission), was enacted as an emergency measure effective May 8, 2000.

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| <b>LD 1962</b> | <b>An Act to Establish the State Revolving Loan Fund for Small Business Initiatives</b> | <b>ONTP</b> |
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| <u>Sponsor(s)</u><br>SHOREY | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
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LD 1962 was carried over from the First Regular Session and proposed to establish the State Revolving Loan Fund for Small Business Initiatives within the Department of Economic and Community Development. Under the bill, the fund would be established initially as a pilot project in Washington County and Hancock County to be administered by the Eastern Maine Development Corporation. The bill also proposed to appropriate \$2,100,000 from the General Fund as initial funding, divided evenly between the counties. Approximately \$100,000 of the initial funding would represent anticipated administration charges for the first year to cover the cost of lending. The bill also proposed to establish a maximum loan of \$175,000 that could be used for capital expenditures and training expenses.

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| <b>LD 2057</b> | <b>An Act to Amend the Regulation of Dentists Regarding the Use of Anesthesia</b> | <b>ONTP</b> |
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| <u>Sponsor(s)</u><br>GOODWIN | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
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LD 2057 was carried over from the First Regular Session and proposed to codify the rules of the Board of Dental Examiners, with additional changes, pertaining to the use of anesthesia by dentists.

**LD 2060****An Act to License Home Building Contractors****ONTP**

| <u>Sponsor(s)</u>  | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|--------------------|-------------------------|---------------------------|
| NORBERT<br>LONGLEY | ONTP                    |                           |

LD 2060 was carried over from the First Regular Session and proposed to require home building contractors to be licensed. It also proposed to establish the Board of Home Building Construction to oversee the licensing of home building contractors and home construction supervisors.

**LD 2105****An Act to Improve the Maine Economy Through Small Businesses****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| PINGREE<br>ROWE   | ONTP                    |                           |

LD 2105 was carried over from the First Regular Session and proposed to establish the Maine Microenterprise Initiative Fund in the Department of Economic and Community Development. Under the bill, the department would give grants from the fund to community-based organizations providing training, technical assistance and loans to microenterprises. Priority consideration would be given to grant applications that were joint or targeted low-income individuals or areas of high unemployment. The bill would require that grants for loans be accompanied by a certain level of matching funds and adequate technical assistance. The department would adopt rules, subject to legislative review, to establish grant application procedures and criteria. The bill also proposed to appropriate from the General Fund a nonlapsing \$1,500,000 per year of the biennium to the Maine Microenterprise Initiative Fund.

The provisions of this bill were amended and incorporated into the Part II Budget, Public Law 1999, chapter 731, Part VVV.

**LD 2115****An Act to Promote Economic Development in Western Maine****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| GOOLEY<br>BENOIT  | ONTP                    |                           |

LD 2115 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve western Maine. It proposed to:

1. Improve the infrastructure;
2. Enhance existing businesses and encourage job growth;

3. Attract high-tech and high-wage jobs; and
4. Promote a stable economic environment through the review of current rules and regulations and taxes and make any necessary changes.

**LD 2142                      An Act to Change Laws Pertaining to the Loring Development Authority of Maine                      DIED BETWEEN BODIES**

| <u>Sponsor(s)</u> | <u>Committee Report</u>              | <u>Amendments Adopted</u> |
|-------------------|--------------------------------------|---------------------------|
| O'NEAL            | OTP-AM      MAJ<br>ONTP          MIN |                           |

LD 2142 was carried over from the First Regular Session and proposed to reconfigure the composition of the board of trustees for the Loring Development Authority of Maine so that the City of Caribou, the Town of Caswell and the Town of Limestone would each nominate one member to the board; 3 members of the board would be nominated by any other municipality in Aroostook County; and one member would be nominated by the county commissioners of Aroostook County. This bill also proposed to allow the current members of the board of trustees to finish their terms and the reconfigured board to be phased in as the current members' terms expire.

**Committee Amendment "A" (H-924)** proposed to reconfigure the composition of the board of trustees for the Loring Development Authority of Maine. Under the amendment, 6 of the trustees would be appointed as follows: the City of Caribou, the Town of Limestone, the Town of Caswell, the Town of Fort Fairfield, the City of Presque Isle and the Town of Van Buren would each nominate 1 trustee who was a resident of Aroostook County. If one of these municipalities did not submit a nomination, the Governor would appoint a trustee nominated by any municipality in Aroostook County. One Aroostook County trustee would be nominated by any municipality in Aroostook County, excluding the municipalities specifically identified as a nominating municipality. Four trustees would not be residents of Aroostook County. One trustee would reside anywhere in Maine. Committee Amendment "A" was not adopted.

**House Amendment "A" to Committee Amendment "A" (H-1019)** proposed to clarify the method for filling vacancies on the board. House Amendment "A" was not adopted.

**Senate Amendment "A" to Committee Amendment "A" (S-604)** proposed to clarify that for the 6 specifically identified municipalities, the Governor would appoint a trustee from a list of nominations submitted by the municipality. Senate Amendment "A" was not adopted.

**Senate Amendment "B" to Committee Amendment "A" (S-635)** proposed to revise the appointment process for the 7 trustees from Aroostook County by requiring the Governor to select 7 trustees from a pool of nominees submitted by the City of Caribou, the Town of Limestone, the Town of Caswell, the Town of Fort Fairfield, the City of Presque Isle, the Town of Van Buren and the county commissioners of Aroostook County. Senate Amendment "B" was not adopted.

**LD 2163****An Act to Require Contractor Registration****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| POVICH            | ONTP                    |                           |

LD 2163 was carried over from the First Regular Session and proposed to establish in the Department of Professional and Financial Regulation a comprehensive public register of contractors doing business in the State. Under the bill, contractor was defined to mean a person or entity that enters into a construction contract.

**LD 2210****An Act to Encourage Expanded Use of Maine's Port Facilities****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| BROOKS<br>MILLS   | ONTP                    |                           |

LD 2210 was carried over from the First Regular Session by the Joint Standing Committee on Appropriations and Financial Affairs. In the Second Regular Session, the bill was re-referred to the Joint Standing Committee on Business and Economic Development. LD 2210 proposed to appropriate \$125,000 from the General Fund for a one-year pilot project that would create incentives to utilize the port of Winterport for maritime shipping.

**LD 2217****An Act to Promote Economic Development in Androscoggin County****ONTP**

| <u>Sponsor(s)</u>    | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|----------------------|-------------------------|---------------------------|
| MENDROS<br>NUTTING J | ONTP                    |                           |

LD 2217 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve Androscoggin County. It proposed to:

1. Improve the infrastructure. In effecting this goal, the recommendations of the Downtown Initiative in the Department of Economic and Community Development focusing on how to revitalize downtown areas in Maine would be implemented;
2. Enhance existing businesses and encourage job growth. As part of this goal, the manufacture of a prefabricated industrial park, ready to be occupied by businesses, would be encouraged;
3. Attract high-tech and high-wage jobs. This would be partially accomplished through the appropriation of \$300,000 each to Central Maine Technical College and Lewiston-Auburn College;
4. Encourage and promote tourism, convention activities and special events by emphasizing and advertising Androscoggin County as a destination point for these activities. Additionally, the feasibility of a convention center, built to service the State, would be explored and developed; and



5. Promote a stable economic environment through the review of current rules and regulations and taxes and making any necessary changes.

**LD 2262**

**An Act to Prohibit the Sale of Items in Storage Owned by a 3rd Party**

**ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| AMERO             | ONTP      A             |                           |
|                   | RE-REF    B             |                           |
|                   | OTP-AM    C             |                           |

LD 2262 proposed to make the following changes to the Maine Self-service Storage Act.

1. It proposed to require a person placing items in storage to specify whether some of the items are owned by another person.
2. It proposed to exempt from the lien currently given to an operator of a self-service storage facility those items that have been identified as belonging to a 3rd party if it can be proven that the items belonged to the 3rd party prior to being placed in storage and during the time the items were in storage. Under the bill, in order to get this exemption, the following requirements would have to be met:

- A. The occupant would have to specify the name of the 3rd party;
- B. The 3rd party would have to provide proof of ownership; and
- C. The 3rd party would have to claim the items within 14 days of notification by the operator or prior to the sale of the items by the operator, whichever occurred later.

If the 3rd party failed to meet these requirements, the operator could treat the items as if they were the property of the occupant of the facility, offering them for sale to satisfy the lien.

3. It proposed to require the operator of a self-service storage facility to provide notice by certified and regular mail to 3rd parties that had been identified as owners of items placed in a storage facility if the occupant of the storage facility defaults on the rental agreement.

**Committee Amendment “A” (S-492)** was committee report C. It proposed to provide that proof of ownership by a 3<sup>rd</sup> party would have to be provided to the operator by the occupant or the 3<sup>rd</sup> party. The amendment also proposed to add a provision that would allow a 3<sup>rd</sup> party to redeem the 3<sup>rd</sup> party’s property from a storage unit notwithstanding a section of law that vests the exclusive custody of all property in the occupant. Committee Amendment “A” was not adopted.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| GAGNE<br>DAGGETT  | OTP-AM                  | H-846                     |

LD 2266 proposed to allow a Maine-registered apprenticeship program to have a maximum of 12 helper or apprentice electricians under direct supervision.

**Committee Amendment "A" (H-846)** proposed to clarify that the increase in the number of helper or apprentice electricians that a master electrician can supervise applies to apprenticeship programs that are registered by the Department of Labor. The amendment also proposed to increase the maximum total value of each installation from \$2,500 to \$5,000. The amendment also proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 606 allows an apprenticeship program that is registered by the Maine Department of Labor to have a maximum of 12 helper or apprentice electricians under direct supervision of a master electrician while making electrical installations, as long as the total value of each installation does not exceed \$5,000.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| KONTOS            | OTP-AM                  | S-526                     |

LD 2279 proposed to do the following:

1. Terminate the SBIR (small business innovation research) technical assistance program and the Centers for Innovation; and
2. Amend the Maine Science and Technology Foundation's duty to solely administer the Maine Experimental Program to Stimulate Competitive Research by directing joint administration of the program with the University of Maine System and the Maine Experimental Program to Stimulate Competitive Research steering committee.

**Committee Amendment "A" (S-526)** proposed to delete sections of the bill that repealed the Centers for Innovation. The amendment also proposed to move administration for the small business innovation research program to the Maine Technology Institute. It proposed to provide for staggered terms for the Board of Directors of the Maine Science and Technology Foundation and it proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 608 moves administration for the small business innovation research program to the Maine Technology Institute. It directs joint administration of the Maine Experimental Program to Stimulate Competitive Research by the Maine Science and Technology Foundation, the University of Maine and the Maine EPSCoR ( Experimental Program to Stimulate Competitive Research) steering committee. It changes appointments to the board of the Maine Science and Technology Foundation to 3 year terms. It requires the Maine Science and Technology Foundation to manage an interactive web-based clearinghouse of science and technology information.

**LD 2344                      An Act to Repeal the Nondiscrimination in Pharmaceuticals Pricing                      PUBLIC 574**  
**Law**

|                   |                         |                           |
|-------------------|-------------------------|---------------------------|
| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
| BRUNO             | OTP                     |                           |

LD 2344 proposed to repeal the Maine Revised Statutes, Title 32, chapter 117, subchapter 10 of the Maine Pharmacy Act, which requires unitary pricing of pharmaceuticals.

***Enacted law summary***

Public Law 1999, chapter 574 repeals the Maine Revised Statutes, Title 32, chapter 117, subchapter 10 of the Maine Pharmacy Act, which requires unitary pricing of pharmaceuticals.

**LD 2359                      An Act to Clarify the Authority of the State Board of Optometry                      PUBLIC 607**  
**EMERGENCY**

|                   |                         |                           |
|-------------------|-------------------------|---------------------------|
| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
| KONTOS            | OTP-AM                  | S-527                     |

LD 2359 proposed to allow the State Board of Optometry to hire independent staff as may be necessary to conduct the business of the board.

**Committee Amendment "A" (S-527)** proposed to provide that the authority of the State Board of Optometry to hire clerical personnel is subject to the Civil Service Law. It also proposed to add an allocation section and a fiscal note.

***Enacted law summary***

Public Law 1999, chapter 607 authorizes the State Board of Optometry to hire clerical personnel subject to the Civil Service Law.

Public Law 1999, chapter 607 was enacted as an emergency measure effective March 31, 2000.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| PINGREE           | ONTP                    |                           |

LD 2385 proposed to do the following:

1. It proposed to allow the Maine Board of Pharmacy to grant waivers of rules that have been adopted by the board regulating the practice of pharmacy in Maine. Under the bill, the waiver could have been granted to allow the development of demonstration projects whose purpose was to ameliorate the shortage of qualified pharmacists in Maine; and
2. It proposed to allow a pharmacy to send prescriptions to a central location where the drug order would be filled and then sent back to the pharmacy. The pharmacy would have maintained the responsibility for dispensing the drug and advising the patient. The Maine Board of Pharmacy would have been required to oversee this arrangement and regulate it through rulemaking.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| KONTOS            | OTP-AM                  | S-613                     |

LD 2388 proposed to increase the fee cap on physician and physician assistant license renewal.

**Committee Amendment "A" (S-613)** proposed to increase the license fee caps for the Board of Funeral Service, the Oil and Solid Fuel Board, the State Board of Certification of Geologists and Soil Scientists, the State Board of Alcohol and Drug Counselors, the Maine Athletic Commission and athletic trainers.

The amendment also proposed to authorize the Director of the Office Licensing and Registration within the Department of Professional and Financial Regulation to set fees by rule for the Board of Funeral Service, the Oil and Solid Fuel Board, the State Board of Certification of Geologists and Soil Scientists, the State Board of Alcohol and Drug Counselors, the Maine Athletic Commission and the Board of Licensure of Podiatric Medicine.

The amendment proposed to establish a fee cap for transient sellers of consumer goods and door-to-door home repair transient sellers and proposed to increase the gate tax for the Maine Athletic Commission.

The amendment also proposed to change the renewal cycle from biennial to annual for the State Board of Alcohol and Drug Counselors and adjust the mandatory continuing education hours for renewal to correspond with the change in the renewal cycle.

Finally, the amendment proposed to add an allocation section and fiscal note to the bill.

#### *Enacted law summary*

Public Law 1999, chapter 685 makes the following changes to various occupational licensing board statutes:

1. It increases the fee cap on physician and physician assistant license renewal;
2. It increases the license fee caps for the Board of Funeral Service, the Oil and Solid Fuel Board, the State Board of Certification of Geologists and Soil Scientists, the State Board of Alcohol and Drug Counselors, the Maine Athletic Commission and athletic trainers;
3. It authorizes the Director of the Office Licensing and Registration within the Department of Professional and Financial Regulation to set fees by rule for the Board of Funeral Service, the Oil and Solid Fuel Board, the State Board of Certification of Geologists and Soil Scientists, the State Board of Alcohol and Drug Counselors, the Maine Athletic Commission and the Board of Licensure of Podiatric Medicine;
4. It establishes a fee cap for transient sellers of consumer goods and door-to-door home repair transient sellers;
5. It increases the gate tax for the Maine Athletic Commission; and
6. It changes the renewal cycle from biennial to annual for the State Board of Alcohol and Drug Counselors and adjusts the mandatory continuing education hours for renewal to correspond with the change in the renewal cycle.

**LD 2395**

**An Act Concerning Disclosure Requirements Under the Used Car  
Information Laws**

**PUBLIC 617  
EMERGENCY**

Sponsor(s)  
SAXL M

Committee Report  
OTP-AM

Amendments Adopted  
H-880

LD 2395 proposed to maintain the past statutory requirement that automobile collision damage that costs more than \$1,500 to repair must be disclosed to consumers.

**Committee Amendment "A" (H-880)** proposed to provide that car dealers need not disclose substantial collision damage unless the cost of repairing it exceeds \$2,000. This amendment also proposed to create a cross-reference to maintain consistency between the Motor Vehicle Code and the Insurance Code relative to accidents. This amendment also proposed to set the effective date at 30 days after approval and proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 617 amends the used car information laws to provide that collision damage must be disclosed to consumers if the cost of repairing the damage exceeds \$2,000. It also amends the Automobile Insurance Cancellation Control Act by permitting an insurer to choose not to renew a personal automobile insurance policy when a named insured or other person insured under the policy is individually or aggregately involved in two or more vehicle accidents while operating a motor vehicle insured under the policy resulting in either personal injury or property damage in excess of the amount defined as a reportable

accident in the Motor Vehicle Code. These amendments were necessary to correct indirect results of PL 1999, chapter 61 which amended the Motor Vehicle Code by increasing the monetary amount of property damage for which a motor vehicle accident must be reported.

Public Law 1999, chapter 617 was enacted as an emergency measure and approved on April 3, 2000 to take effect 30 days later.

**LD 2433**

**An Act to Penalize a Company that Does Not Submit the Report  
Required by Law Regarding State Assistance**

**ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u>        | <u>Amendments Adopted</u> |
|-------------------|--------------------------------|---------------------------|
| TWOMEY            | ONTP      MAJ<br>OTP-AM    MIN |                           |

LD 2433 proposed to withhold further state subsidies from a private company that has received a state subsidy and has not followed required reporting procedures.

**Committee Amendment "A" (H-925)** was the minority report and proposed to add a fiscal note to the bill. Committee Amendment "A" was not adopted.

**LD 2441**

**An Act to Provide Flexibility in the Distribution of Funds by the  
Department of Economic and Community Development**

**PUBLIC 612**

| <u>Sponsor(s)</u>   | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|---------------------|-------------------------|---------------------------|
| O'NEAL<br>MACKINNON | OTP-AM                  | H-884                     |

LD 2441 proposed to remove the requirement that funds in the Community Industrial Buildings Fund be distributed to separate rural and urban accounts.

**Committee Amendment "A" (H-884)** proposed to remove the responsibility of marketing and promoting community buildings from the Department of Economic and Community Development. The amendment also proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 612 removes the requirement that funds in the Community Industrial Buildings Fund be distributed to separate rural and urban accounts. It also removes the responsibility of marketing and promoting community buildings from the Department of Economic and Community Development.

**LD 2443****An Act to Provide for Statewide Redemption of Returnable Containers****ONTP**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| MARTIN            | ONTP                    |                           |

LD 2443 proposed to provide that a returnable container purchased in this State could be redeemed anywhere in the State.

**LD 2444****An Act to Clarify the Law on Ownership of Certified Public Accounting Firms and to Establish a Peer Review Program****PUBLIC 619**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| WINSOR<br>KONTOS  | OTP-AM                  | H-879                     |

LD 2444 proposed to correct internal inconsistencies within the certified public accountancy firm ownership law enacted in 1999 and remove a possible conflict with other laws governing limited liability companies, limited liability partnerships and professional associations. It also proposed to establish a practice monitoring program for certified public accountancy firms.

**Committee Amendment "A" (H-879)** proposed to delete references in the bill to practice monitoring programs. It also proposed to exclude firms that provide compilations from the peer review requirement. It also proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 619 establishes a peer review program for certified public accountancy firms that provide a defined service other than compilations. Chapter 619 also amends the certified public accountancy firm ownership law to correct internal inconsistencies that were created by the enactment of Public Law 1999, chapter 200. Public Law 1999, chapter 200 allowed accounting firms with a minority of nonlicensed owners to apply for a firm permit to practice. However, all members of professional service corporations and limited liability companies must be members of the same profession, pursuant to the Professional Service Corporation Act (13 MRSA §710) and the Limited Liability Company law (31 MRSA §611), respectively. Chapter 619 clarifies that CPA firms may have minority ownership by non-CPAs notwithstanding the Limited Liability Company law and the Professional Service Corporation Act. Chapter 619 also clarifies that a firm may not use a title that indicates that the firm is composed of certified accountants unless the firm holds a valid firm permit and a simple majority of all partners, officers, shareholders, members or managers of the firm hold certificates.

|                |   |             |
|----------------|---|-------------|
| <b>LD 2478</b> | <b>An Act to License Cued Speech Transliterators for the Deaf and Hard-of-hearing</b> | <b>ONTP</b> |
|----------------|---|-------------|

|                             |                                 |                           |
|-----------------------------|---------------------------------|---------------------------|
| <u>Sponsor(s)</u><br>KONTOS | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
|-----------------------------|---------------------------------|---------------------------|

LD 2478 proposed to establish licensure requirements for cued speech transliterators. Under the bill, the Commissioner of the Department of Professional and Financial Regulation would have been authorized to license cued speech transliterators and to consult with an advisory council regarding the regulation of transliterators.

|                |  |             |
|----------------|--|-------------|
| <b>LD 2502</b> | <b>An Act to Support the Maine Rural Development Council and its Community Capacity Building Work in Distressed Rural Areas in the State</b> | <b>ONTP</b> |
|----------------|--|-------------|

|                                       |                                 |                           |
|---------------------------------------|---------------------------------|---------------------------|
| <u>Sponsor(s)</u><br>LAWRENCE<br>ROWE | <u>Committee Report</u><br>ONTP | <u>Amendments Adopted</u> |
|---------------------------------------|---------------------------------|---------------------------|

LD 2502 proposed to direct the Maine Rural Development Council to provide advocacy for the social and economic needs of rural Maine communities and to develop community capacity building projects. It also proposed to appropriate \$125,000 to the council.

The provisions of this bill were incorporated into Part II Budget, Public Law 1999, chapter 731, Part VVV.

|                |  |                   |
|----------------|--|-------------------|
| <b>LD 2505</b> | <b>An Act to Support Child Care Education and Services</b> | <b>PUBLIC 783</b> |
|----------------|--|-------------------|

|                              |                                   |   |
|------------------------------|-----------------------------------|---|
| <u>Sponsor(s)</u><br>LONGLEY | <u>Committee Report</u><br>OTP-AM | <u>Amendments Adopted</u><br>S-580<br>S-782 MICHAUD |
|------------------------------|-----------------------------------|---|

LD 2505 proposed to lower eligibility standards for child development students to apply to the Educators for Maine Program; allow child development students to fulfill Educators for Maine Program return service requirements by working in a child care facility; and appropriate funds to the Quality Child Care Education Scholarship Fund.

**Committee Amendment "A" (S-580)** proposed to make the following changes to the Educators for Maine Program:

1. It proposed to resolve a conflict in the Educators for Maine Program as amended by Public Law 1999, chapter 401, Part OOO, section 6 and chapter 441, section 6;



2. It proposed to delete the exemption for child development students from the requirement to show evidence of academic achievement;
3. It proposed to establish loan limits for child development students;
4. It proposed to limit the maximum amount of loan forgiveness available to child development students; and
5. It proposed to make changes to the return service requirement for child development services.

The amendment also proposed to decrease the appropriation for the Quality Child Care Education Scholarship Fund, remove the emergency preamble and emergency clause and add a fiscal note to the bill.

**Senate Amendment "A" to Committee Amendment "A" (S-782)** proposed to remove the provisions of the committee amendment that limit the maximum amount of loan forgiveness and also proposed to strike the appropriation.

#### ***Enacted law summary***

Public Law 1999, chapter 783 amends both the Quality Child Care Education Scholarship Fund and the Educators for Maine Program. It allows Quality Child Care Education Scholarships to be distributed to students in courses at institutions that have articulated agreements with accredited institutions of higher education. It makes the following changes to the Educators for Maine Program:

1. It resolves a conflict in the program as it was amended by PL 1999, chapter 401, Pt. 000, §6 and chapter 441, §6;
2. It establishes program loan limits for child development students; and
3. It specifies return service requirements for child development students.

Chapter 783 also directs the Department of Human Services to develop a list of quality child care sites in the State.

Note: \$145,356 was allocated to the Quality Child Care Education Scholarship Fund in the Part II Budget, PL 1999, chapter 731, Part NN.

**LD 2506**

### **An Act to Establish the Applied Technology Development Center System**

**INDEF PP**

Sponsor(s)  
TESSIER  
DAGGETT

Committee Report  
OTP-AM

Amendments Adopted

LD 2506 proposed to establish the Applied Technology Center System. Under the bill, the system would be a component of the State's efforts to foster new technology-based businesses in fields such as biotechnology, aquaculture and marine technology, composite materials technology, environmental

technology, advanced technologies for forestry and agriculture, information technology and precision manufacturing technology. The system would consist of a network of self-managed, state-coordinated centers strategically placed throughout the State and administered under the auspices of the Maine Technology Institute. Each applied technology center would provide to selected tenants shared, low-cost space and business support in order to encourage the establishment and growth of technology-based businesses.

**Committee Amendment "A" (H-962)** proposed to change the name of the system that would permit early-stage development of technology-based businesses from the Applied Technology Center System to the Applied Technology Development Center System. The amendment also proposed to move the administration of the system from the Maine Technology Institute to the Department of Economic and Community Development and add a representative of the Maine Technology Institute to the Applied Technology Development Center System Coordinating Board. The amendment proposed to set a limit on the amount of state funding each center could have received. The amendment proposed to authorize the Department of Economic and Community Development to adopt routine technical rules and proposed to appropriate funds to the Target Technology Center at Orono. Finally, the amendment proposed to decrease the appropriation of funds to the Applied Technology Development Center System and clarified that applicants for these funds would not have to be new centers to be eligible for funding.

The provisions of the committee amendment were incorporated into the Part II Budget, Public Law 1999, chapter 731, part UUU.

**LD 2535                      Resolve, to Establish the Commission to Study Ownership Patterns                      RESOLVE 136**  
**in Maine**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| ROWE              | OTP-AM                  | H-1184 O'NEAL             |
| PINGREE           |                         | H-932                     |

LD 2535 proposed to:

1. Establish an employee ownership feasibility fund to be administered by the Department of Economic and Community Development. The fund would be available as grants to employees of businesses in the State to be used to analyze the potential for employee ownership;
2. Direct the Department of Economic and Community Development to contract with a community development corporation to conduct an education and outreach program for Maine businesses on employee ownership options; and
3. Establish a commission to study ownership patterns in the State.

**Committee Amendment "A" (H-932)** proposed to:

1. Change the bill to a resolve;
2. Delete the establishment of an employee ownership feasibility fund and delete the establishment of an education and outreach program for Maine businesses on employee ownership options;

3. Add to the duties of the Commission to Study Ownership Patterns in Maine the duty to study the feasibility of an employee ownership feasibility program and fund and the duty to make recommendations for an education and outreach program for Maine businesses on employee ownership options;
4. Change the membership of the commission and change the due date of the commission's final report to November 15, 2000; and
5. Add a fiscal note.

**House Amendment "A" to Committee Amendment "A" (H-1184)** proposed to change the date by which the first meeting of the Commission to Study Ownership Patterns in Maine would be called.

***Enacted law summary***

Resolve 1999, chapter 136 establishes the Commission to Study Ownership Patterns in Maine. The commission is directed to investigate the current patterns of in-state, out-of-state and international ownership of Maine businesses and to study the feasibility of an employee ownership feasibility program. The Commission will be staffed by the State Planning Office.

**LD 2557**

**An Act to Implement the Recommendations of the Blue Ribbon Commission to Establish a Comprehensive Internet Policy**

**PUBLIC 762**

|                   |                         |                           |
|-------------------|-------------------------|---------------------------|
| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|                   | OTP-AM                  | H-1050 COLWELL<br>S-632   |

LD 2557 proposed to implement recommendations of the Blue Ribbon Commission to Establish a Comprehensive Internet Policy. It proposed to require state departments and agencies to implement procedures for accepting payment by major credit cards or other electronic means. It proposed to enact the Uniform Electronic Transactions Act and the Maine Digital Signature Act. Finally, it proposed to authorize the Blue Ribbon Commission to Establish a Comprehensive Internet Policy to meet to conclude its work following the conclusion of the Second Regular Session of the 119th Legislature.

**Committee Amendment "A" (S-632)** proposed to make the following changes to the proposed Maine Digital Signature Act:

1. It proposed to define "state agency"; and
2. It proposed to provide that information filed electronically with a state agency that uses a digital signature would have the same force and effect as a paper document filed with a manual signature.

The amendment also proposed to put an effective date of July 1, 2001 on the required acceptance of credit cards by state agencies and directed the Bureau of Revenue Services and the Department of Professional

and Financial Regulation to submit reports on the budgetary impact of their acceptance of credit cards. Finally, it proposed to add an appropriation section and a fiscal note to the bill.

**House Amendment "A" (H-1050)** was presented on behalf of the Committee on Engrossed Bills to correct a provision to accurately reflect changes to existing law.

***Enacted law summary***

Public Law 1999, chapter 762 implements the recommendations of the Blue Ribbon Commission to Establish a Comprehensive Internet Policy. It directs the Bureau of Revenue Services and the Department of Professional and Financial Regulation to submit, by January 20, 2001, reports on the budgetary impact of their acceptance of credit cards. It requires state departments and agencies to implement procedures for accepting payment by major credit cards or other electronic means by July 1, 2001. It enacts the Uniform Electronic Transactions Act and the Maine Digital Signature Act. It also authorizes the Blue Ribbon Commission to Establish a Comprehensive Internet Policy to meet to conclude its work following the conclusion of the Second Regular Session of the 119th Legislature.

**LD 2558**

**An Act to Improve the Regulation of Occupations and Professions**

**PUBLIC 687**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
|                   | OTP-AM    MAJ           | S-593                     |
|                   | ONTP      MIN           |                           |

LD 2558 proposed to enact the recommendations of the Commissioner of Professional and Financial Regulation to the Joint Standing Committee on Business and Economic Development, pursuant to the report required by Public Law 1999, chapter 16, Part L.

It proposed to revise the Maine Revised Statutes, Title 3, the State Government Evaluation Act, to remove board-by-board sunset review by the committee of jurisdiction. Individual boards would be reviewed as part of the Department of Professional and Financial Regulation, Office of Licensing and Registration.

It proposed to amend Title 5 to standardize the per diem compensation rate for board members of boards within the department and two boards affiliated with the department at \$35 dollars per day. Under the bill, Title 5 would be amended to limit new professional and occupational regulatory boards to a maximum of 9 members, including 2 public members.

It proposed to allow for the sharing of confidential information with the affiliated boards; increase the administrative authorities of the Office of Licensing and Registration, including the power to set fees below a cap and the elimination of separate board accounts; and allow for license recognition between states. The bill also proposed to transfer existing law from Title 32 to Title 10, consolidating all department general authorities into one location.

It proposed to amend individual board statutes. Under the bill, Title 10 would have been amended to remove a requirement that all Manufactured Housing Board licensees receive personal notice of all meetings and hearings and copies of rules. Title 32 would have been amended to allow the Board of Boilers and Pressure Vessels to extend an inspection certificate beyond 14 months. The number of board members on the Board for Licensure of Architects, Landscape Architects and Interior Designers; the

Radiologic Technology Board of Examiners; the Board of Counseling Professionals Licensure; and the Board of Barbering and Cosmetology would have been reduced to 9. Physician members would be removed from the Board of Hearing Aid Dealers and Fitters, the Board of Examiners on Pathology and Audiology and the Radiologic Technology Board of Examiners. All changes in board composition would occur through attrition.

It proposed to appropriate funds for one health board investigator position.

It proposed to direct the joint standing committee of the Legislature having jurisdiction over business and economic development to report out to the First Regular Session of the 120th Legislature a bill to make statutory changes necessary to correct cross-references to sections of law repealed by this Act.

**Committee Amendment "A" (S-593)** proposed to amend the bill to maintain the provisions of current law that require separate dedicated revenue accounts for each board, commission and regulatory program, as well as the requirement that these boards, commissions and programs be self-supporting. The amendment also proposed to authorize the Director of the Office of Licensing and Registration to establish fees for each program through rulemaking, subject to the individual fee caps established by the Legislature, and to establish a uniform policy with respect to late renewals.

The amendment also proposed to clarify that application review performed by staff of the Office of Licensing and Registration would be done in accordance with criteria established by statute or through rules adopted by a board or commission.

The amendment proposed to move the provisions of the Maine Revised Statutes, Title 32, section 60-C, regarding disposition of fees, to Title 10, section 8003-F.

The amendment also proposed to amend certain provisions of Title 32 governing when inspections of boilers and pressure vessels must be performed.

Finally, the amendment proposed to add an allocation section for one Health Board Investigator position and one Manufactured Housing Board Field Inspector position. The amendment also proposed to add an allocation section and a fiscal note to the bill.

### ***Enacted law summary***

Public Law 1999, chapter 687 enacts the recommendations of the Commissioner of Professional and Financial Regulation to the Joint Standing Committee on Business and Economic Development, pursuant to the report required by Public Law 1999, chapter 16, Part L as follows:

1. It revises the State Government Evaluation Act to remove board-by-board sunset review by the committee of jurisdiction. Individual boards will be reviewed as part of the Department of Professional and Financial Regulation, Office of Licensing and Registration.
2. It standardizes, at \$35 dollars per day, the per diem compensation rate for board members of boards within the Department of Professional and Financial Regulation and two boards affiliated with the department. New professional and occupational regulatory boards are limited to a maximum of 9 members, including 2 public members.

3. It allows for the sharing of confidential information with the affiliated boards, and it allows for license recognition between states.
4. It maintains the provisions of current law that require separate dedicated revenue accounts for each board, commission and regulatory program, as well as the requirement that these boards, commissions and programs be self-supporting. It also authorizes the Director of the Office of Licensing and Registration to establish fees for each program through rulemaking, subject to the individual fee caps established by the Legislature, and to establish a uniform policy with respect to late renewals.
5. It allows application review to be performed by staff of the Office of Licensing and Registration in accordance with criteria established by statute or through rules adopted by a board or commission.
6. It amends individual board statutes. Title 10 is amended to remove a requirement that all Manufactured Housing Board licensees receive personal notice of all meetings and hearings and copies of rules. Title 32 is amended to allow the Board of Boilers and Pressure Vessels to extend an inspection certificate beyond 14 months and provisions that govern when inspections of boilers and pressure vessels must be performed are amended. The number of board members on the Board for Licensure of Architects, Landscape Architects and Interior Designers; the Radiologic Technology Board of Examiners; the Board of Counseling Professionals Licensure; and the Board of Barbering and Cosmetology is reduced to 9. Physician members are removed from the Board of Hearing Aid Dealers and Fitters, the Board of Examiners on Pathology and Audiology and the Radiologic Technology Board of Examiners.
7. It provides for an allocation for one Health Board Investigator position and one Manufactured Housing Board Field Inspector position.

**LD 2560**

**An Act to Amend the Acreage Requirements for a Cemetery to Contain a Columbarium**

**PUBLIC 620**

Sponsor(s)  
SULLIVAN  
LAFOUNTAIN

Committee Report  
OTP-AM

Amendments Adopted  
H-926

LD 2560 proposed to reduce the number of acres from 20 to 5 that a cemetery must have in order to erect a columbarium, community mausoleum or crematory.

**Committee Amendment "A" (H-926)** proposed to clarify that the acreage requirement is reduced only to erect a columbarium.

***Enacted law summary***

Public Law 1999, chapter 620 reduces the number of acres from 20 to 5 that a cemetery must have in order to erect a columbarium.

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SAXL M<br>KONTOS  | OTP                     |                           |

LD 2570 proposed to prohibit an individual who actually installed, serviced or sold elevator or lift equipment from inspecting that equipment. The bill also proposed to limit the prohibition to a 12-month period following the installation, service or sale of that equipment.

***Enacted law summary***

Public Law 1999, chapter 627 prohibits a person who is licensed as an elevator and lift inspector from inspecting any equipment that person has installed, serviced or sold within the preceding 12-month period.

| <u>Sponsor(s)</u> | <u>Committee Report</u>  | <u>Amendments Adopted</u> |
|-------------------|--------------------------|---------------------------|
| KONTOS<br>O'NEAL  | OTP-AM MAJ<br>OTP-AM MIN | S-658                     |

LD 2578 proposed to establish the allocations of the state ceiling on issuance of tax-exempt bonds for calendar year 2000. Under federal law, a maximum of \$150,000,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine each year. The bill allocates the state ceiling among the state-level issuers of tax-exempt bonds.

**Committee Amendment "A" (S-658)** is the majority report and replaced the bill. The amendment proposed to reallocate \$10,000,000 of the state ceiling for calendar year 1999 previously allocated to the Finance Authority of Maine for educational loans to the Maine Educational Loan Authority for the issuance of supplemental education loans.

Under federal law, a maximum of \$150,000,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine each year. The amendment proposed to allocate the state ceiling for calendar year 2000 among the state-level issuers of tax-exempt bonds in the following manner:

1. Ten million dollars to the Maine Municipal Bond Bank;
2. Ninety million dollars to the Maine State Housing Authority;
3. Twenty-five million dollars to the Finance Authority of Maine;
4. Ten million dollars to the Maine Educational Loan Authority; and
5. Fifteen million dollars is unallocated and must be reserved for future allocation.

The amendment also proposed to make partial allocations of the state ceiling for calendar year 2001 among the state-level issuers of tax-exempt bonds in the following manner:

1. Ten million dollars to the Maine Municipal Bond Bank;
2. Forty million dollars to the Maine State Housing Authority;
3. Twenty-five million dollars to the Finance Authority of Maine;
4. Up to \$10,000,000 to the Maine Educational Loan Authority in the event that the 1999 reallocation of \$10,000,000 is not reallocated; and
5. Sixty-five million dollars is unallocated and must be reserved for future allocation.

**Committee Amendment "B" (S-659)** is the minority report and replaced the bill. The amendment proposed to reallocate \$10,000,000 of the state ceiling for calendar year 1999 previously allocated to the Finance Authority of Maine to the Maine Educational Loan Authority for the issuance of supplemental education loans.

Under federal law, a maximum of \$150,000,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine each year. The amendment proposed to allocate the state ceiling for calendar year 2000 among the state-level issuers of tax-exempt bonds in the following manner:

1. Ten million dollars to the Maine Municipal Bond Bank;
2. Ninety million dollars to the Maine State Housing Authority;
3. Twenty-five million dollars to the Finance Authority of Maine;
4. Ten million dollars to the Maine Educational Loan Authority; and
5. Fifteen million dollars is unallocated and must be reserved for future allocation.

The amendment also proposed to make partial allocations of the state ceiling for calendar year 2001 among the state-level issuers of tax-exempt bonds in the following manner:

1. Ten million dollars to the Maine Municipal Bond Bank;
2. Forty million dollars to the Maine State Housing Authority;
3. Twenty-five million dollars to the Finance Authority of Maine; and
4. Seventy-five million dollars is unallocated and must be reserved for future allocation.

The amendment differs from Committee Amendment "A" because it does not propose to allocate any portion of the state ceiling for calendar year 2001 to the Maine Educational Loan Authority. Committee Amendment "B" was not adopted.

#### ***Enacted law summary***



Private and Special Law 1999, chapter 82 establishes the allocations of the state ceiling on issuance of tax-exempt bonds for calendar year 2000 and makes partial allocations of the state ceiling for calendar year 2001 among the state-level issuers of tax-exempt bonds. Under federal law, a maximum of \$150,000,000 in tax-exempt bonds benefiting private individuals or entities may be issued in Maine each year.

The law also reallocates \$10,000,000 of the state ceiling for calendar year 1999 previously allocated by Public Law 1999, chapter 443 to the Finance Authority of Maine to the Maine Educational Loan Authority.

Private and Special Law 1999, chapter 82 was enacted as an emergency measure effective April 14, 2000.

**LD 2610**

**An Act to Require Warranty Certification for Snowmobiles and All-terrain Vehicles**

**PUBLIC 692**

Sponsor(s)  
CAMPBELL  
FERGUSON

Committee Report  
OTP-AM

Amendments Adopted  
H-988

LD 2610 proposed to require a person who registers a snowmobile or ATV for the first time in Maine to present a certificate from a licensed dealer that the snowmobile or ATV has had all recall or service update repairs performed on the snowmobile or ATV. The bill also proposed to require that the owner be registered with the manufacturer of that snowmobile or ATV so that the owner would receive future recall or service notices from the manufacturer.

**Committee Amendment "A" (H-988)** proposed to replace the original bill. It proposed to require that a person who registers a new snowmobile or ATV provide proof that the vehicle has been registered with the manufacturer of the snowmobile or ATV for warranty protection and safety or recall notices.

***Enacted law summary***

Public Law 1999, chapter 692 requires that a person who registers a new snowmobile or ATV provide proof that the vehicle has been registered with the manufacturer of the snowmobile or ATV for warranty protection and safety or recall notices.

**LD 2640**

**An Act to Amend the Program Evaluation Report Contents of the State Government Evaluation Act**

**PUBLIC 661**

Sponsor(s)

Committee Report

Amendments Adopted

LD 2640 implements a recommendation of the Task Force to Study the Effect of Government Regulation on Small Businesses. It adds a requirement that each agency or program under a State Government Evaluation Act review:

1. Identify how the agency works with other state and federal agencies to coordinate services and eliminate redundant and overlapping requirements; and
2. Compare federal laws and regulations to state laws and rules implemented by the agency.

The bill includes a fiscal note.

***Enacted law summary***

Public Law 1999, chapter 661 implements a recommendation of the Task Force to Study the Effect of Government Regulation on Small Businesses. It adds a requirement that each agency or program under a State Government Evaluation Act review:

1. Identify how the agency works with other state and federal agencies to coordinate services and eliminate redundant and overlapping requirements; and
2. Compare federal laws and regulations to state laws and rules implemented by the agency.

**LD 2650**

**An Act to Clarify the Enforcement Authority of the Manufactured Housing Board**

**PUBLIC 725  
EMERGENCY**

Sponsor(s)  
LAWRENCE

Committee Report  
OTP-AM

Amendments Adopted  
S-649

LD 2650 was a concept draft pursuant to Joint Rule 208. The bill proposed to clarify the enforcement authority of the Manufactured Housing Board.

**Committee Amendment "A" (S-649)** proposed to permit the Manufactured Housing Board to enforce the preemption provisions of the Maine Revised Statutes, Title 10, section 9042, subsection 3 against municipalities and to allow a more expansive private right of action in favor of those adversely affected by a violation of the manufactured housing law. It also proposed to clarify the role of municipal code enforcement officers regarding the inspection of new manufactured housing for violations of the manufactured housing law and the rules adopted pursuant to that law. The amendment also proposed to provide the Manufactured Housing Board with the authority to review denials of applications for certificates of occupancy in certain limited situations and proposed to authorize the Manufactured Housing Board to issue certificates of occupancy. The amendment also proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 725 permits the Manufactured Housing Board to enforce the preemption provisions of the Maine Revised Statutes, Title 10, section 9042, subsection 3 against municipalities and allows a more expansive private right of action in favor of those adversely affected by a violation of the manufactured housing law. It also clarifies the role of municipal code enforcement officers regarding the inspection of new manufactured housing for violations of the manufactured housing law and the rules adopted pursuant to that law. Finally, it provides the Manufactured Housing Board with the authority to review denials of applications for certificates of occupancy in certain limited situations and authorizes the Manufactured Housing Board to issue certificates of occupancy.

Public Law 1999, chapter 725 was enacted as an emergency measure effective April 14, 2000.

**LD 2675**

**An Act to Create a Linked Investment Program for Child Care Providers**

**INDEF PP**

Sponsor(s)

Committee Report

Amendments Adopted

LD 2675 proposed to implement one of the recommendations of the Business Advisory Commission on Quality Child Care Financing. It proposed to establish a linked investment program for child care providers.

**LD 2683**

**An Act to Enhance Economic Development in the State of Maine**

**ONTP**

Sponsor(s)

Committee Report

Amendments Adopted

LD 2683 was a committee bill reported out of the Business and Economic Development Committee pursuant to Joint Order (S.P. 1002). Part A of the bill proposed to modify the Economic Recovery Program administered by the Finance Authority of Maine by making the programs more flexible to meet the needs of Maine businesses.

The proposed modifications would allow the Finance Authority of Maine to establish repayment terms reflective of the risk of a particular loan by allowing the authority to use financing techniques such as obtaining repayment based on the performance of the company through royalty payments, repayment tied to actual cash flow or through a convertible debenture, which would allow the debt to be converted to equity in the company.

Part A also proposed to repeal the requirement that an applicant must have been turned down by all other lenders. This would allow the Finance Authority of Maine to participate in financing packages with commercial lenders and other economic development agencies.

The provisions of Part A were incorporated into the Part II Budget, Public Law 1999, chapter 731, sections VVV-4, VVV-5 and VVV-6.

Part B proposed to modify the Maine Economic Development Venture Capital Revolving Investment Program Fund administered by the Finance Authority of Maine.

It would clarify that capitalization of the fund may come from sources other than direct appropriations.

It would amend the law to allow the authority to invest in newly established venture capital funds that show evidence of likelihood of success by the manager's background and other factors, as well as established venture capital funds.

It would amend the law to require that a private venture capital fund receiving an investment from the authority certify to the authority that it will undertake to invest in an amount equal to the authority's investment in Maine manufacturers or Maine companies that are involved in the development or application of advanced technologies that provide a product or service that is sold or projected to be sold predominantly outside the State or that otherwise bring capital into the State.

It would repeal the prohibition on an officer or employee of a private venture capital firm from participating in a decision on a project in which the officer or employee has a direct financial interest. It would replace that provision with a requirement that the authority's contract with the private venture capital firm give the authority rights and access equal to all other investors in the venture capital firm.

It would amend the law to allow the venture capital funds receiving an investment to use up to 4% annually of the funds received from the authority for administrative purposes.

It would repeal a provision that requires that a private venture capital firm invest 80% of all its funds in a business that is eligible for the Maine Seed Capital Tax Credit.

It would add a requirement that private venture capital funds that receive an investment from the authority report on the amount of funds invested in Maine manufacturers or Maine companies that are involved in the development or application of advanced technologies, that provide a product or service sold or projected to be sold predominantly outside the State or that otherwise bring capital into the State.

It would transfer funds that have revolved back into the Economic Recovery Program Fund to the Maine Economic Development Venture Capital Revolving Investment Program Fund.

The provisions of Part B were incorporated into the Part II Budget, Public Law 1999, chapter 731, sections VVV-7, 8, 9 and 10.

Part C proposed to appropriate funds to the Department of Economic and Community Development for an information technology manager to work with the Maine Business Works program. The provisions of Part C were incorporated into the Part II Budget, Public Law 1999, chapter 731, Section VVV-16.

Part D proposed to appropriate funds to the Department of Economic and Community Development to allow the department to contract with a field representative to serve in a currently underserved and economically depressed area. The provisions of Part D were incorporated into the Part II Budget, Public Law 1999, chapter 731, section VVV-17.

Part E proposed to direct the Maine Rural Development Council to provide advocacy for the social and economic needs of rural Maine communities and to develop community capacity building projects, and it proposed to appropriate \$125,000 to the council. The provisions of Part E were incorporated into the Part II Budget, Public Law 1999, chapter 731, sections VVV-15 and VVV-20.

Part F proposed to establish the Maine Microenterprise Initiative Fund in the Department of Economic and Community Development. Under the bill, the department would give grants from the fund to community-based organizations providing training and technical assistance to microenterprises. Priority consideration would be given to grant applications that are joint applications or target low-income individuals or areas of high unemployment. The department would be required to adopt rules to establish grant application procedures and criteria. The bill also proposed to appropriate from the General Fund a nonlapsing \$1,000,000 to the Maine Microenterprise Initiative Fund. The provisions of Part F were incorporated into the Part II Budget, Public Law 1999, chapter 731, sections VVV-1 and VVV-18.

Part G proposed to establish the Regional Economic Development Assistance Fund in the Department of Economic and Community Development. The department would award grants from the fund to nonprofit community organizations providing local or regional economic development programs. The bill also proposed to appropriate \$500,000 from the General Fund to the fund. The provisions of Part G were incorporated into the Part II Budget, Public Law 1999, chapter 731, sections VVV-2 and VVV-19.

Part H proposed to amend the law creating the Agricultural Products Utilization Commission by authorizing the commission to identify issues related to the development of agriculturally derived fuel industries in Maine, to identify agriculturally derived fuel development programs and to analyze the

potential for agriculturally derived fuel production in Maine. It also proposed to add the chief executive officer of the Finance Authority of Maine to the commission membership and add a requirement to report to the joint standing committee of the Legislature having jurisdiction over business and economic development matters. The provisions of Part H were incorporated into the Part II Budget, Public Law 1999, chapter 731, section VVV-3.

Part I proposed to appropriate funds to the Maine Technical College System for a pilot program for the Aroostook County Machine Tool Program. The provisions of Part I were incorporated into the Part II Budget, Public Law 1999, chapter 731, section VVV-21.

**LD 2684                      An Act to Improve Oversight and Accountability of Student Loan                      PUBLIC 728**  
**Programs Funded with an Allocation of the State Ceiling on Private**  
**Activity Tax-exempt Bonds**

| <u>Sponsor(s)</u> | <u>Committee Report</u> |     | <u>Amendments Adopted</u> |
|-------------------|-------------------------|-----|---------------------------|
|                   | OTP                     | MAJ |                           |
|                   | OTP-AM                  | MIN |                           |

LD 2684 was reported out by the Joint Standing Committee on Business and Economic Development pursuant to Public Law 1999, chapter 443 in response to the report of the Commission on the Ceiling on Tax-Exempt Bonds.

LD 2684 proposed to enact the following provisions to increase the state's oversight of student loan programs funded through an allocation of the state ceiling on private activity tax-exempt bonds.

The bill proposed to add the Commissioner of Economic and Community Development or the commissioner's designee as a nonvoting member of the group that makes recommendations for the allocation of the state ceiling and provide that the Treasurer of State will no longer be a voting member of that group. It would require that bond cap allocation must be done with the written agreement of 4 of the 5 voting members of the bond cap allocation group. It would require that the State Planning Office conduct an annual analysis related to allocation of the state ceiling. It would require that recipients of an allocation of the state ceiling provide annual audited financial statements and demonstrate the benefits of their programs to the Legislature. The bill proposed to clarify that any further allocation or reallocation of the state ceiling from one eligible issuer to another issuer must be done with the agreement of a super majority of the bond cap allocation group. The bill also would make the meetings and records of the bond allocation group subject to the freedom of access laws.

The bill proposed to prohibit interlocking directors between the Finance Authority of Maine, "FAME," the Maine Educational Loan Authority, "MELA" and the Maine Educational Loan Marketing Corporation, "MELMAC."

The bill would retain the requirement that recipients of an allocation of the state ceiling for the issuance of student loans use FAME as the sole guarantor for student loan notes.

The bill proposed to prohibit MELMAC from originating student loans or extending credit and from discriminating against financial institutions or credit unions authorized to do business in this State with respect to the acquisition of loans. It would retain the requirement that MELMAC use FAME as the sole

guarantor for student loan notes acquired on the secondary market. It proposed to add 4 public members appointed by the Governor and confirmed by the Legislature to the MELMAC board. It would make MELMAC's books and records subject to the freedom of access laws. The bill would require MELMAC to use competitive bidding for its loan servicing and administrative services contracts. The bill also would require that MELMAC demonstrate that its use of bond proceeds is consistent with a public purpose and submit copies of IRS files and returns with the Attorney General and the Legislature on an annual basis. The bill also proposed to add language allowing the Governor to request that one or more state agencies acquire student loans on the secondary market if MELMAC fails to comply with the new statutory requirements.

The bill proposed to replace MELMAC's president as a member of the MELA board with a representative from technical colleges appointed by the Governor. The bill would provide that the Treasurer of State will no longer be a voting member of the MELA board. It would require MELA to use competitive bidding for administrative and clerical services. It would add language clarifying that MELA has authority to issue supplemental education loans only. It would require MELA to provide public notice of its activities and demonstrate that its use of bond proceeds is consistent with a public purpose. The bill would add a sunset of March 15, 2001 to the statutory provision allowing MELA to delegate its powers and duties to a nonprofit corporation and ask the MELA board to recommend whether the statutory provision should be retained. The bill also would require that the MELA board study the issue of whether to move the functions of MELA to FAME and report back to the First Regular Session of the 120th Legislature.

The bill proposed to remove language authorizing an allocation of the state ceiling to FAME for the Loans to Lenders Pilot Program.

The bill proposed to change the timing of required disclosures to a time before any loans using bond cap money are issued.

The bill proposed to clarify that the provisions in the bill are not intended to impair any outstanding bond obligations or contracts of MELMAC or MELA or adversely impact the exclusion from gross income of interest on outstanding tax-exempt bonds previously issued by MELMAC or MELA.

The bill also includes a fiscal note.

**Committee Amendment "A" (S-683)** is the minority report of the committee. The amendment differs from the bill because it proposed to require the Governor to appoint 3 public members to the board of the Maine Educational Loan Marketing Corporation. The bill required the Governor to appoint 4 public members. Committee Amendment "A" was not adopted.

**Senate Amendment "A" (S-694)** proposed to provide that, as a condition of its receipt of an allocation of the state ceiling for the issuance of education loans after the effective date of the bill, a nonprofit corporation formed under the provisions of the bill include 4 public members appointed by the Governor on its board of directors. Senate Amendment "A" was not adopted.

### ***Enacted law summary***

Public Law 1999, chapter 728 addresses state oversight of student loan programs funded through allocation of the state ceiling on private activity tax-exempt bonds.

The law makes the following changes to the process and structure of the group that recommends allocations of the state ceiling to the Legislature:

1. It adds the Commissioner of Economic and Community Development or the Commissioner's designee as a non-voting member and provides that the State Treasurer will no longer be a voting member of the bond cap allocation group;
2. It requires that any allocation of the state ceiling must be done with the written agreement of 4 of the 5 voting members of the bond cap allocation group;
3. It requires that the State Planning Office conduct an annual analysis related to the allocation of the state ceiling;
4. It requires that recipients of an allocation provide annual audited financial statements and demonstrate the benefits of their programs to the Legislature;
5. It clarifies that any further allocation or reallocation of the state ceiling from one eligible issuer to another issuer must be done with the agreement of 4 or 5 members of the bond cap allocation group; and
6. It makes the meetings and records of the bond cap allocation group subject to the freedom of access laws.

Public Law 1999, chapter 728 prohibits interlocking directors between the Finance Authority of Maine (FAME), the Maine Educational Loan Authority (MELA) and the Maine Educational Loan Marketing Corporation (MELMAC). The law requires that MELMAC and MELA use FAME as its sole guarantor for student loan notes acquired through an allocation of the state ceiling on private activity tax-exempt bonds. The law prohibits MELMAC from originating student loans or extending credit for the purpose of originating student loans. It also prohibits MELMAC from discriminating against financial institutions or credit unions authorized to do business in this state with respect to the acquisition of student loans.

The law adds 4 public members to the MELMAC board to be appointed by the Governor and confirmed by the Legislature. The law makes MELMAC's books and records subject to the freedom of access laws and requires MELMAC to use competitive bidding for its loan servicing and administrative contracts. It also requires that MELMAC demonstrate that its use of bond proceeds is consistent with a public purpose and submit copies of its IRS returns and filings to the Attorney General and the Legislature on an annual basis.

In the event that MELMAC fails to comply with the statutory requirements included in Public Law 1999, chapter 728, the law gives the Governor the authority to request that one or more state agencies acquire student loan notes on the secondary market in place of MELMAC.

Public Law 1999, chapter 728 also clarifies that MELA has statutory authority to issue supplemental education loans only. It requires that MELA use competitive bidding for its administrative and clerical services contracts. It replaces the MELMAC president as a member of the MELA board with a member representing the technical college system that will be appointed by the Governor and also provides that the Treasurer of State will no longer be a voting member of the MELA board. The law requires MELA to provide public notice of its activities and demonstrate that its use of bond proceeds is consistent with a public purpose.



The law requires that the MELA board conduct a study and recommend whether or not to move the functions of MELA to FAME to the First Regular Session of the 120th Legislature.

Public Law 1999, chapter 728 removes language authorizing FAME to administer the Loans to Lenders Program.

Finally, Public Law 1999, chapter 728 clarifies that the law is not intended to impair any outstanding bond obligations or contracts of MELMAC or MELA or adversely impact the exclusion from gross income of interest on outstanding tax-exempt bonds previously issued by MELMAC or MELA.

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| LD 464.....  | 1  | LD 2266 ..... | 17 |
| LD 526.....  | 1  | LD 2279 ..... | 18 |
| LD 675.....  | 1  | LD 2344 ..... | 19 |
| LD 952.....  | 2  | LD 2359 ..... | 19 |
| LD 1094..... | 3  | LD 2385 ..... | 19 |
| LD 1147..... | 3  | LD 2388 ..... | 20 |
| LD 1176..... | 3  | LD 2395 ..... | 21 |
| LD 1253..... | 4  | LD 2433 ..... | 22 |
| LD 1414..... | 4  | LD 2441 ..... | 22 |
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| LD 1726..... | 5  | LD 2444 ..... | 23 |
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| LD 1846..... | 6  | LD 2502 ..... | 24 |
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